

Federal Communications Commission 445 12th Street, S.W. Washington, D. C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

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NEWS MEDIA CONTACT: Heather Dixon at (202) 418-1000

STATEMENT OF FCC CHAIRMAN KEVIN J. MARTIN

In 2004, the FCC issued a report concluding that a la carte and tiered models (such as family tiers) were not economically feasible and were not in consumers' interests. I had many concerns with this report, including many of the assumptions used. I asked the Media Bureau as well as our Chief Economist to take a more thorough look at the issue.

Today, the Commission issued a further report, which concludes the earlier report contained mistaken calculations, relied on unsupported and problematic assumptions, and presented an incomplete analysis. According to today's report, a careful analysis reveals that a la carte and increased tiering could offer consumers greater choice and the opportunity to lower their bills. Indeed, in recent months more consumer choice has proven to be technically possible and many companies have begun offering the kinds of tiers the previous report found to be infeasible.